

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Request to Update Default Compensation)	WC Docket No. 03-225
Rate for Dial-Around Calls from)	
Payphones)	
)	

**COMMENTS OF AT&T CORP.
ON PETITION FOR RECONSIDERATION**

AT&T Corp. ("AT&T") submits the following comments on the petition for reconsideration filed by the International Prepaid Communications Association, Inc. ("IPCA") on September 27, 2004. In that petition, IPCA urges the Commission to reconsider its decision increasing the default per call rate for dial-around calls to \$0.494 per call.¹ IPCA also asks the Commission, "at the very least," to suspend implementation of its order until "it can consider the facts and laws not considered in the current order." Petition, p. 8. Without addressing the merits of those portions of the Petition that relate to the amount of the ordered increase in the per call rate, AT&T supports IPCA's call for suspension of the Commission's *Order*. In this regard, AT&T believes implementation of the increased rate should be suspended until affected parties have the opportunity to modify their tariffs, contracts, and promotional materials to reflect the new rate. AT&T believes that suspension of the increase until January 1, 2005 would be sufficient for this purpose.

¹ *Request to Update Default Compensation Rate for Dial-Around Calls from Payphones*, Report And Order, FCC 04-182, WC Docket No. 03-225 (rel. Aug. 12, 2004) ("*Order*").

As IPCA points out in its Petition, implementing a change in the default rate for dial-around calls is not a simple matter. States may cap dial-around call fees applicable to prepaid phone cards. Petition at 3. Providers need lead time to change point-of-sale and other promotional material. *Id.* at 4. Distribution agreements may need to be modified. *Id.* The language on the prepaid cards themselves may need to be revised to conform to the new default rate. *Id.* at 2. State tariffs also may need to be revised.²

Prior to the Commission's adoption of the *Order*, AT&T and others urged the Commission to provide for an extended implementation period for any increase in the default rate. AT&T, MCI, and Sprint thus met with the Commissioners' legal advisors in June, 2004, and urged the Commission to "allow[] sufficient time for administrative implementation activities associated with any change in the payphone dial-around compensation rate."³ IDT similarly requested that the Commission provide sufficient time "to permit calling card service providers to make all necessary changes and deplete existing calling card stock before implementing the default dial-around increase" in order to allow providers time (1) to revise tariffs, (2) to reprint new card packaging and advertising materials, (3) to provide notice to card partners for rate increases and renegotiating contracts, and (4) to exhaust existing card stocks. IDT 6/19/04 *Ex Parte*.⁴

² See Letter from Carl Wolf Billick, IDT Corp., to Marlene H. Dortch, FCC, dated June 19, 2004 (IDT 6/19/04 *Ex Parte*), at 3.

³ Letter from Larry Fenster, MCI, to Marlene H. Dortch, FCC, dated June 28, 2004, reflecting discussions by representatives of MCI, Sprint, and AT&T with the legal advisors for Chairman Powell and for Commissioners Abernathy, Adelstein, and Copps; Letter from Michael F. Del Casino, AT&T, to Marlene H. Dortch, FCC, dated June 16, 2004, reflecting discussions by representatives of MCI, Sprint, and AT&T with the legal advisor for Commissioner Martin.

⁴ See also Letter from Carl Wolf Billick, IDT Corp., to Marlene H. Dortch, FCC, dated July 15, 2004, at 4.

Despite these requests, the Commission's *Order* provided for an effective date 30 days after publication in the Federal Register, which occurred on August 26, 2004.

Although AT&T has strived to conform to the *Order*'s September 27, 2004 effective date, it believes that industry and consumers would be better served by a longer transition time. AT&T therefore supports IPCA's request that the increase in the default rate be suspended, but only until industry has the time to implement it properly. AT&T believes that suspension of the increase until January 1, 2005 would be sufficient for this purpose.

Respectfully submitted,

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Dated: October 27, 2004

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of October, 2004, I caused true and correct copies of the foregoing Comments of AT&T Corp. on Petition for Reconsideration to be served on the following parties by mailing, postage prepaid, to the addresses listed below.

Dated: October 27, 2004

/s/ Sabrina Carter

Sabrina Carter

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